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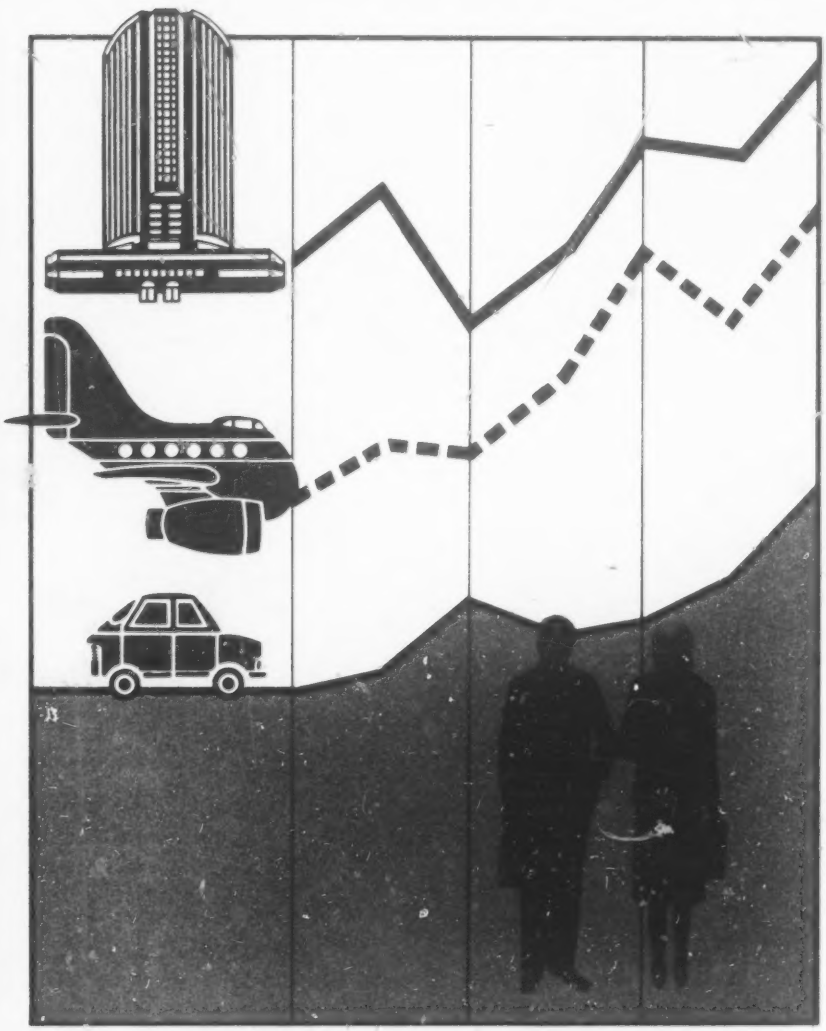
1989 Survey of Business Travelers



A Special Study Sponsored By REED TRAVEL GROUP

US Travel Data Center • Two Lafayette Centre, 1133 21st Street, NW • Washington, DC 20036
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The US Travel Data Center is an affiliate of the Travel Industry Association of America

1989 SURVEY OF BUSINESS TRAVELERS

Sponsored by Reed Travel Group

Bill Niles, Vice President, Research

Conducted by the U.S. Travel Data Center

Dr. Suzanne Cook, Executive Director

Price: Eighty-five Dollars

1990

REED TRAVEL GROUP

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The U.S. Travel Data Center is the national, non-profit center for travel and tourism research. Since its establishment in 1973, the Data Center has devoted itself to advancing the common interest of the travel industry and the public it serves by encouraging, sponsoring and conducting statistical, economic and scientific research concerning travel, the travel industry and travel-related industries.

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EXECUTIVE SUMMARY

* Thirty-four million U.S. adults took a total of 169.7 million business trips in 1989, a nine percent increase from 155.6 million trips in 1988.

* Business trips have grown faster than other types of travel in the last five years, increasing nearly 50 percent since 1984.

* Business trips accounted for 26 percent of all U.S. trips in 1989, up from 22 percent of all U.S. trips in 1984.

* The number of frequent business travelers and their share of business travelers have increased in the past four years.

* The number of woman business travelers declined from 14.1 million in 1986 to 12.1 million in 1989, but the number of trips they took increased.

* More business travelers took trips to attend meetings, conventions and trade shows in 1989 (37 percent) than for any other purpose.

* Nearly one out of every four business travelers includes some vacation on the average business trip.

* Business travelers take shorter trips than pleasure travelers, but are considerably more likely to use airlines, rental cars, hotels and travel agents.

* The number of business trips by airlines were relatively flat in the last two years following substantial growth from 1985 to 1987.

* Two-thirds or 22.9 million business travelers stayed in a hotel on an average trip in 1989, a slight decline from 1988.

* Business trips involving hotel stays increased from 104.3 million in 1988 to 110.3 million in 1989.

* Twenty percent of business trips in 1989 involved the use of travel agents, the same as in 1988.

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INTRODUCTION

Business travel increased nine percent in 1989 after registering a slight decline in 1988. During 1989, some 34.7 million Americans or 19 percent of the total adult population took 169.7 million business trips. Business trips in 1989 accounted for 26 percent of all travel in the U.S., up from 22 percent in 1984.

The Survey of Business Travelers, which is conducted by the U.S. Travel Data Center, has tracked the growth and characteristics of U.S. business travelers on a monthly basis since September 1985. This is the fourth report of the survey's findings.

The 1989 Survey of Business Travelers was conducted by telephone with a national probability sample of 1,500 U.S. adults each month. Business travelers were identified as those who took one or more business trips in the previous 12 months. Over the 12 month interviewing period ending January 1990, 3,832 business travelers gave information about trips they had taken. Of these 3,832 business travelers, 2,093 had traveled in the past three months and were asked detailed questions about their most recent trip.

The U.S. Travel Data Center also conducts the National Travel Survey, the monthly telephone survey measuring the volume and characteristics of travel by U.S. residents. Estimates of the volume of business travel for 1989 in this report are derived from the National Travel Survey, and include travel from January to December of 1989. Measures of business travel are also published in the 1989 National Travel Survey Full Year Report. Some characteristics of business travel vary in the two reports due to differences in the survey methodologies.

OVERVIEW OF BUSINESS TRAVEL

Volume of Business Travel

A total of 664.3 million trips were taken by Americans in 1989, according to the U.S. Travel Data Center's National Travel Survey.

A trip is defined as one or more household members traveling together at least 100 miles away from home, and returning.

Business travel increased nine percent in 1989, outpacing other types of travel.

1988-89 Change in U.S. Trips

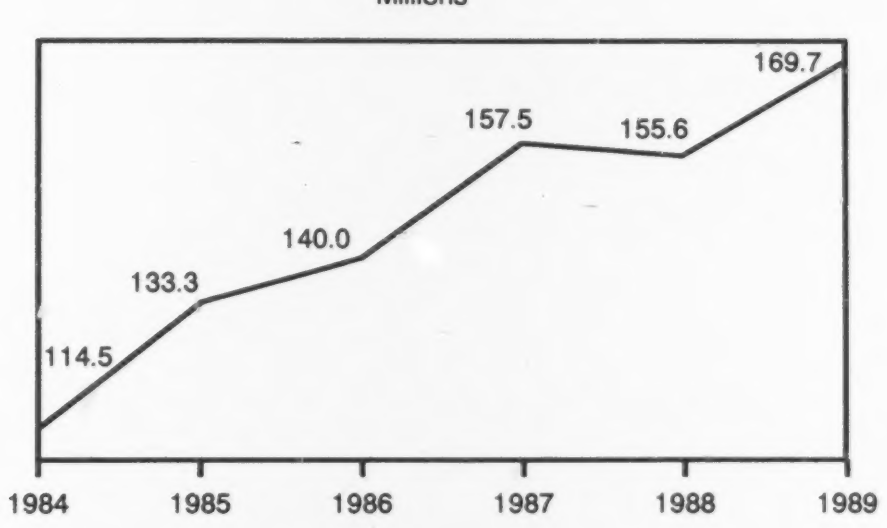
Millions

	1988	1989	Percent Change
Business Trips	155.6	169.7	+ 9
Pleasure/Personal Trips	500.5	494.6	- 1
Total Trips	656.1	664.3	+ 1

Source: National Travel Survey

The volume of business travel increased in four out of the five years since 1984. The largest increase (16 percent) was realized in 1984-85, followed by a 13 percent increase in 1986-87. After a slight (one percent) decline in 1987-88, business trips increased nine percent from 155.6 million in 1988 to 169.7 million in 1989.

VOLUME OF BUSINESS TRIPS
1984 - 89



Source: National Travel Survey

The growth in business travel has outpaced that of all other types of travel in the last five years. Business trips have increased 48 percent from their 1984 level, compared with a 30 percent growth in pleasure trips and a 25 percent growth in vacation trips.

Growth of U.S. Trips by Type *

Millions

	1984	1989	1984-89 Change Number	Percent
Business Trips	114.5	169.7	+55.2	+48
Pleasure Trips	351.0	457.3	+106.3	+30
Vacation Trips	333.3	416.7	+83.4	+25
Total Trips	528.3	664.3	+136.0	+26

* Columns add to more than total trips due to multiple responses.

Source: National Travel Survey

Business Travel Trends

Frequent travelers (those who take 10 or more trips per year) increased to 5.2 million business travelers and accounted for forty-three percent of all business trips taken in 1989.

The number of business trips taken by business travelers between the ages of 35 to 44 increased six percent from 1988 to 1989.

Trips taken to attend meetings and conventions accounted for one-fifth of all business trips in 1989.

The number of business trips involving airlines and hotels have increased considerably from five years ago.

Travel agents are used for one out of every five business trips. Business travelers rely on travel agents to help recommend and select hotels, as well as to make reservations.

Importance of Business Travelers

U.S. adults who took business trips in 1989 numbered 34.7 million according to the 1989 Survey of Business Travelers. They took 169.7 million or 26 percent of all trips taken in 1989, up from 22 percent of all trips in 1984.

Business trips are more likely to involve the use of travel services than pleasure or personal trips. Business trips in 1989 accounted for 43 percent of all airline trips, 45 percent of all rental car trips, 37 percent of all hotel trips and 39 percent of all trips involving the use of travel agents.

Business Travel Share of Total Trips in 1989

Millions

	Total Trips	Business Trips	Business Trips as Percent of Total Trips
Total Trips	664.3	169.7	26
Airline Trips	154.6	66.5	43
Rental Car Trips	59.8	27.2	45
Hotel Trips	309.8	114.6	37
Travel Agent Trips	86.4	33.9	39

Source: National Travel Survey

Business Travel Expenditures

U.S. business travelers will spend an estimated $115 billion on their trips in 1990, according to the 1988-89 American Express Survey of Business Travel Management. This will be a 21 percent increase over $95 billion that American Express estimated business travelers spent in 1988.

Travel and entertainment expenses are the third largest controllable expense category for the majority of U.S. companies, following salaries and data processing.

Airlines were the largest single expense in 1988, followed by lodging, meals, entertainment and cars.

1988 Business Travel and Entertainment Expenses

	Billions	Percent
Airlines	$38.0	40
Hotels/Motels	21.9	23
Meals	14.2	15
Entertainment	10.4	11
Cars	7.6	8
Other	2.9	3
Total	$95.0	100

Source: 1988-89 American Express Survey of Business Travel Management

According to Runzheimer International, business travel costs increased 10.8 percent in 1989. The largest increase occurred in airline costs. Airfares increased an average of 15.9 percent in 1989 following a slight decline of 1.4 percent in 1988. Other cost increases in 1989 were: rental cars up 13 percent, hotels up 7.9 percent and meals up six percent.

PROFILE OF BUSINESS TRAVELERS

Dimensions of the Market

A total of 34.7 million U.S. adults or 19 percent of the total U.S. adult population took one or more business trips of at least 100 miles each way during 1989.

The number of adults who took a business trip in 1989 increased 1.6 million from 33.1 million in 1988. There were 35.3 million business travelers in 1987.

The business travel market includes travelers from every demographic group in the country: sex, age, marital, educational, income, occupational and regional. They come from widely different backgrounds and travel for a variety of reasons.

Despite much diversity, business travelers are more highly concentrated among specific demographic groups. These include adults who are between the ages of 25 to 44 and have better educations, higher incomes and managerial positions.

The continuing growth of the more "upscale" demographic groups in the U.S. will have a positive effect on future business travel.

Demographics of Business Travelers

Twenty-three million or nearly two-thirds of the 34.7 million business travelers are men; 35 percent are women.

More than half of business travelers (58 percent) are between the ages of 25 to 44.

Sixty-three percent of business travelers are married. Forty percent have graduated from college, above the national average.

Three out of 10 business travelers have yearly household incomes of $50,000 or more. More than half (53 percent) are professionals/managers or lower level technicians or managers.

The largest single group of business travelers (20 percent) works in the service industries (finance, banking, insurance, real estate and business services). Nearly six out of 10 business travelers (59 percent) work for small companies with fewer than 100 employees.

More business travelers live in the South Atlantic and East North Central regions of the U.S. than any other single areas.

Demographics of Business Travelers

	Millions	Percent
Total Business Travelers	34.7	100
Sex		
Men	22.6	65
Women	12.1	35
Age		
18-24	3.5	10
25-34	10.4	30
35-44	9.7	28
45-54	5.9	17
55-64	3.1	9
65 or Older	2.1	6
Median Age		39 Years
Marital Status		
Married	21.9	63
Not Married	12.8	37
Education		
Some College or Less	20.8	60
College Graduate or More	13.9	40
Household Income		
Less Than $30,000	12.1	35
$30,000-$39,999	6.3	18
$40,000-$49,999	5.9	17
$50,000 or More	10.4	30
Occupation		
Professional or Managerial	8.0	23
Lower Level Technical or Managerial Occupations	10.4	30
Clerical or Sales	4.9	14
Blue Collar	5.9	17
Self Employed	10.1	29

Demographics of Business Travelers
(Continued)

	Millions	Percent
Industry		
Finance, Banking, Insurance, Real Estate and Business Services	6.9	20
Health, Legal, Personal and Educational Services	5.9	17
Wholesale and Retail Trade	5.2	15
Manufacturing and High Technology	4.5	13
Public Administration and Government	3.5	10
Agriculture, Mining, Oil and Construction	3.1	9
Transportation, Communications and Public Utilities	3.5	10
Number of Employees in Company		
Fewer Than 100	20.5	59
100-499	6.9	20
500 to 999	2.1	6
1,000 or More	5.2	15
Region of Residence*		
New England	1.7	5
Mid-Atlantic	4.9	14
South Atlantic	5.9	17
East South Central	2.1	6
West South Central	4.1	12
East North Central	5.9	17
West North Central	2.8	8
Mountain	2.4	7
Pacific	4.9	14
Household Characteristics		
Two Persons or Less	16.7	48
One Person Household	6.6	19
Three Persons or More	18.0	52
Child(ren) in Household	15.3	44
One Wage Earner in Household	13.9	40
Two or More Wage Earners in Household	18.4	53

* Definition of regions included in the Appendix.

Source: Survey of Business Travelers

Changes in Demographics of Business Travelers

Several demographic groups of business travelers have grown significantly since 1986, reflecting the growth of these demographic groups in the total U.S. population.

Business travelers between the ages of 35 to 44 increased from 25 percent of all business travelers in 1986 to 28 percent in 1989. Higher income business travelers and lower level technical or managerial occupations have also increased.

Changes in Demographics of Business Travelers

1986-89

	1986	1987	1988	1989
Age 35-44	25%	28%	29%	28%
Household Income $50,000+	23	27	30	30
Lower Level Technical or Managerial	24	28	31	30

Source: Survey of Business Travelers

Demographics of Business and Pleasure Travelers

Americans who travel on business are more upscale than those who travel for pleasure. They are more likely to be men, to be 25 to 44 years old and to have better educations, higher incomes and professional, managerial and technical occupations than pleasure travelers.

Demographics of Business and Pleasure Travelers

	Business Travelers	Pleasure Travelers
Total	100%	100%
Sex		
Men	65	49
Women	35	51
Age		
18-24	10	15
25-34	30	26
35-44	28	19
45-54	17	14
55-64	9	12
65 or Older	6	14
Median Age	39 Years	40 Years
Marital Status		
Married	63	57
Not Married	37	43
Education		
Some College or Less	60	72
College Graduate or More	40	28
Household Income*		
Less Than $30,000	35	47
$30,000-$39,999	18	18
$40,000-$49,999	17	14
$50,000 or More	30	21
Occupation		
Professional or Managerial	23	13
Lower Level Technical or Managerial Occupations	30	20
Clerical or Sales	14	14
Blue Collar	17	16
Retired	6	17
Region of Residence**		
New England	5	5
Mid-Atlantic	14	13
South Atlantic	17	17
East South Central	6	7
West South Central	12	12
East North Central	17	16
West North Central	8	8
Mountain	7	8
Pacific	14	14

	Business Travelers	Pleasure Travelers
Household Characteristics		
Two Persons or Less	48%	53%
One Person Household	19	20
Three Persons or More	52	47
Child(ren) in Household	44	38
One Wage Earner in Household	40	38
Two or More Wage Earners in Household	53	47

* Adjusted for non-response.

** Definition of regions included in the Appendix.

Sources: Business Travelers - Survey of Business Travelers
Pleasure Travelers - National Travel Survey

Travel Characteristics of Business and Pleasure Travelers

Business travelers differ from pleasure travelers in their travel characteristics as well as in their demographics. The average number of household members traveling together on business trips is 1.4 compared with 2.0 on a pleasure trip. Business travelers tend to spend fewer nights away and visit fewer places, but travel greater distances than pleasure travelers.

Characteristics of Business and Pleasure Trips in 1989

	Business	Pleasure
Average Household Members on Trip (Including Traveler)	1.4	2.0
Average Nights Per Trip	4.1	4.8
Average Miles Per Trip	1,240	950
Average Places Visited	1.2	1.7

Sources: Business Travelers - Survey of Business Travelers
Pleasure Travelers - National Travel Survey

Business travelers are far more likely to use travel services on their trips than pleasure travelers. In 1989, airlines were used on 39 percent of business trips compared with 19 percent of pleasure trips. Rental cars, hotels and travel agents were also used more often on business trips as on pleasure trips.

Use of Travel Services on Business and Pleasure Trips in 1989

	Business	Pleasure
Airlines	39%	19%
Rental Cars	16	7
Hotels	66	38
Travel Agents	20	12

Source: National Travel Survey

CHARACTERISTICS OF BUSINESS TRIPS

Number of Business Trips Taken

Nearly 35 million business travelers took a total of 169.7 million business trips in 1989, an increase of nine percent from 155.6 in 1988. They took an average of 4.9 trips each in 1989 compared with 4.7 trips in 1988.

More than half of business travelers took only one or two trips in 1989, accounting for 17 percent of all business trips. Thirty-four percent of business travelers took three to nine trips and were responsible for 40 percent of all business trips.

Frequent business travelers, those who took 10 or more trips, comprised only 15 percent of business travelers and accounted for 43 percent of all business trips taken.

Number of Business Trips Taken in the Past Year

	Business Travelers		Business Trips	
	Millions	Percent	Millions	Percent
1-2 Trips	17.7	51	28.8	17
3-9 Trips	11.8	34	67.9	40
10 or More Trips	5.2	15	73.0	43
Total	34.7	100	169.7	100

Average Trips Per Business Traveler: 4.9

Source: Survey of Business Travelers

Frequent business travelers, the most important segment to travel suppliers, have increased significantly since 1986. They have grown from 3.5 million or 10 percent of all business travelers in 1986 to 5.2 million or 15 percent of all business travelers in 1989.

The average frequent business traveler takes 19 trips per year. Forty percent of frequent business travelers take more than 20 trips per year.

Frequent business travelers are more likely than other business travelers to be men, 35 to 44 years old, have higher educational and income levels, be professionals or managers and to travel to sell or consult.

Less frequent business travelers are more likely to be women, younger and travel to attend meetings, conventions or trade shows.

Nights Spent on Business Trips

Thirteen percent of business travelers in 1989 did not spend the night on their trips, compared with nine percent in 1988. Half of business travelers spent up to three nights away, and 37 percent spent four or more nights away. Business travelers spent an average of 4.1 nights away from home on business trips in 1989.

Nights Spent on Most Recent Business Trip

	Percent
No Nights	13
1 Night	15
2-3 Nights	35
4-5 Nights	19
More Than 5 Nights	18
Average Nights Per Trip (Including None)	4.1

Source: Survey of Business Travelers

Business travelers who spend the most nights away are more likely to be using airlines and rental cars, to be traveling outside the U.S. and to be combining business and vacation on their trips.

Business travelers who are least likely to stay overnight are traveling in their own cars and attending meetings and conventions.

The distance of the average business trip in 1989 was 1,240 miles compared with 1,370 miles in 1988.

Accommodations Used on Business Trips

Two-thirds of business travelers stay in hotels or motels on an average trip. Thirteen percent stay at the homes of friends or relatives. Business travelers spend an average of 3.4 nights in hotels or motels on each trip.

Type of Lodging Used on Most Recent Business Trip

	Percent*
Hotel or Motel	66
Homes of Friends or Relatives	13
Apartments, Condominiums or Vacation Homes	3
Other	6
No Overnight Stay	13

* Column adds to more than 100 percent due to multiple responses.

Source: Survey of Business Travelers

Places Visited on Business Trips

Nearly three-fourths of business travelers visited only one place on their most recent overnight business trip. Business travelers visited an average of 1.2 places on each trip.

Number of Overnight Places Visited on Most Recent Trip

	Percent
No Overnight Places	13
1 Place	73
2 Places	9
3 or More Places	5
Average Places Visited (If Any)	1.2

Source: Survey of Business Travelers

More business trips originate from the South Atlantic and East North Central regions than from any other regions. The South Atlantic, Pacific and West South Central regions are the final destinations of 48 percent of all business trips.

The New England, Mid-Atlantic and East North Central regions produce more business trips than they receive. The South Atlantic and West South Central regions, on the other hand, receive more business trips than they produce.

Origins and Final Destinations of Business Travelers

Census Region*	Origin	Final Destination	Net Outflow (-) or Net Inflow (+)
New England	5%	3%	-2%
Mid-Atlantic	14	10	-4
South Atlantic	17	21	+4
East South Central	6	6	NC
West South Central	12	13	+1
East North Central	17	12	-5
West North Central	8	7	NC
Mountain	7	8	NC
Pacific	14	14	NC
Outside U.S.	--	6	+6

* Definitions of regions included in the Appendix.

NC = No Change

Source: Survey of Business Travelers

Six percent of U.S. business travelers traveled abroad in 1989. This compares with five percent in 1987-88 and four percent in 1986.

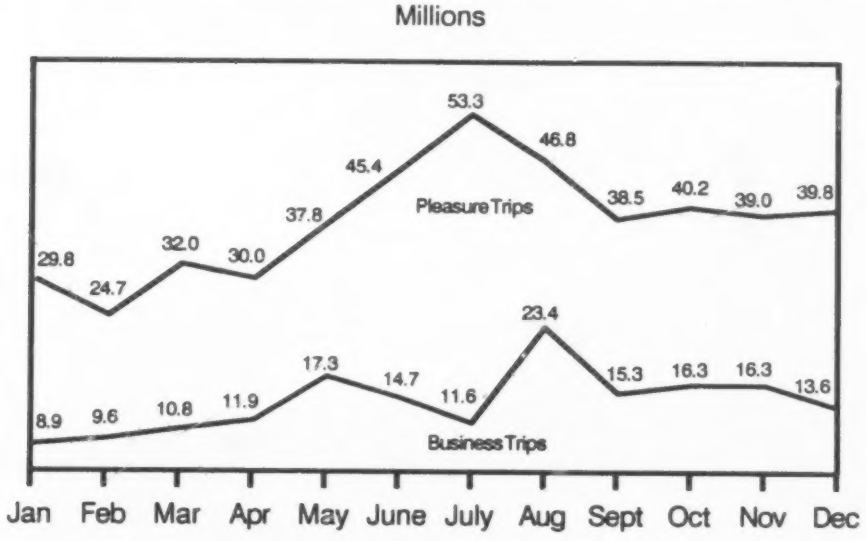
Thirty-eight percent of the business travelers who go to a destination have not visited it before within the past 12 months, according to the 1989 Survey of Business Travelers. Business travelers who are visiting a destination for the first time are more likely to be infrequent travelers and to be attending meetings.

When Business Trips Are Taken

An average of 14 million business trips were taken each month in 1989. They ranged from a low of 8.9 million in January to 23.4 million in August, when many combined business and pleasure trips are taken.

The slowest period for business travel, like pleasure travel, is January through April. Pleasure travel is at its highest June through August, while business travel is highest from August through November.

1989 BUSINESS AND PLEASURE TRIPS BY MONTH



Source: National Travel Survey

PURPOSES OF BUSINESS TRIPS

Purposes of Most Recent Business Trips

The reasons for taking business trips are varied and cannot be easily classified into major categories.

More business travelers (37 percent) traveled to attend meetings, conventions or trade shows on an average trip in 1989 than for any other purpose.

Thirteen percent of business travelers sold a product or service and 12 percent traveled to carry out the operations of their companies. Eleven percent traveled on personal business and 10 percent consulted or offered professional advice.

Smaller groups of business travelers traveled to manage their companies (five percent) and perform physical functions such as construction or installations (five percent). Trips taken for other purposes such as making speeches, conducting research and playing sports accounted for seven percent of trips.

Purposes of Trips Taken by Business Travelers

	Main Purpose of Most Recent Trip	Purposes of Trips in Past 12 Months	
	Percent	Percent*	Millions of Travelers
Attend a Meeting, Convention or Trade Show	37	54	18.7
Sell a Product or Service	13	25	8.7
Carry Out Operations	12	27	9.4
Personal Business	11	21	7.3
Consult or Offer Professional Advice	10	29	10.1
Manage the Company	5	26	9.0
Perform a Physical Function	5	12	4.2
Other Purpose	7	5	1.7

* Column adds to more than 100 percent due to multiple responses.

Source: Survey of Business Travelers

Number of Yearly Business Trips by Purpose

As the preceding table shows, business travelers travel for many different purposes during the year. Far more business travelers attended meetings, conventions and trade shows during the year (54 percent) than did so on their most recent business trip (37 percent).

The 18.7 million business travelers who attended meetings last year took an average of three trips. They took 56.1 million business trips in total, the largest number for any purpose. Trips to sell products or services and to carry out operations ranked second and third in number. Trips for personal business and to perform physical functions were the smallest categories of trips.

Total Yearly Business Trips by Purpose of Trips

Purpose of Trip	Purpose of Trip in Past 12 Months Million of Travelers	Number of Trips Per Year	Business Trips* Millions
Attend a Meeting, Convention or Trade Show	18.7	3.0	56.1
Sell a Product or Service	8.7	6.2	53.9
Carry Out Operations	9.4	5.2	48.9
Personal Business	7.3	2.4	17.5
Consult or Offer Professional Advice	10.1	3.7	37.4
Manage the Company	9.0	3.7	33.3
Perform a Physical Function	4.2	5.2	21.8
Other Purpose	1.7	2.5	6.0

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* Column adds to more than 169.7 million trips because business trips taken for multiple purposes are included.

Source: Survey of Business Travelers

Meetings and Conventions

More than one million off-premise meetings are held annually in the U.S. There were 93.7 million meeting attendees and expenditures for meetings totaled $39.6 billion in 1989, according to Meetings and Conventions Magazine's 1990 Meetings Market Study.

Corporate meetings accounted for 81 percent of meetings, 62 percent of attendees and 24 percent of expenditures. There were 12,600 major conventions in 1989, and they accounted for $15 billion or 38 percent of meeting expenditures.

Dimensions of the U.S. Meetings Market

	Number of Meetings	Attendees (Millions)	Expenditures (Billions)
Corporate Meetings	866,800	58.4	$ 9.7
Major Conventions	12,600	13.6	15.0
Other Association Meetings	186,600	21.7	14.9
Total	1,066,000	93.7	$39.6

Source: Meetings & Conventions Magazine's 1990 Meetings Market Study

According to the Survey of Business Travelers, travelers who attend meetings are more likely to be well educated, in professional or managerial occupations and to be in health, legal, personal and educational services than all business travelers. Meeting attendees travel less frequently than other business travelers and many travel only to attend meetings.

The most frequently attended business meetings are professional and technical meetings, training seminars, management meetings, incentive trips and sales meetings according to the 1990 Meetings Market Study.

Combining Business and Vacation

Business travel to resorts and other vacation areas offers business travelers opportunities to combine business and vacation.

Nearly one out of every four business travelers (24 percent) included some vacation on an average business trip in 1989. Vacation time included in a business trip is often a substantial portion of the trip. On nearly half of business trips that include vacation, the vacation portions account for half of the time spent, according to the 1988 Survey of Business Travelers.

Business travelers who combine business and vacation in their trips are more likely to be women, have incomes under $30,000 per year and are often self-employed. They also bring along other household members and use their own cars.

Characteristics of Travelers
who Combine Business and Vacation

	Combine Business and Vacation	Total Business Travelers
Women	39%	35%
Household Income Less Than $30,000	40	35
Self-employed	37	29
Other Household Member on Trip	50	28
Use Own Car	51	44

Source: Survey of Business Travelers

TRANSPORTATION USED BY BUSINESS TRAVELERS

Types of Transportation Used

More business travelers use personal cars for their trips than any other means of transportation. Forty-four percent or 15.3 million business travelers used their own cars on an average business trip in 1989.

Fewer business travelers, 36 percent or 12.5 million, used airlines and 11 percent or 3.8 million used rental cars. Eight percent used company cars.

Types of Transportation Used on Most Recent Business Trip

	Millions of Business Travelers	Percent of Business Travelers*
Own Car	15.3	44
Airline	12.5	36
Rental Car	3.8	11
Company Car	2.8	8
Bus	1.0	3
Taxi	.7	2
Company Plane	.7	2
Train	.3	1
Other	.7	2

* Column adds to more than 100 percent due to multiple responses.

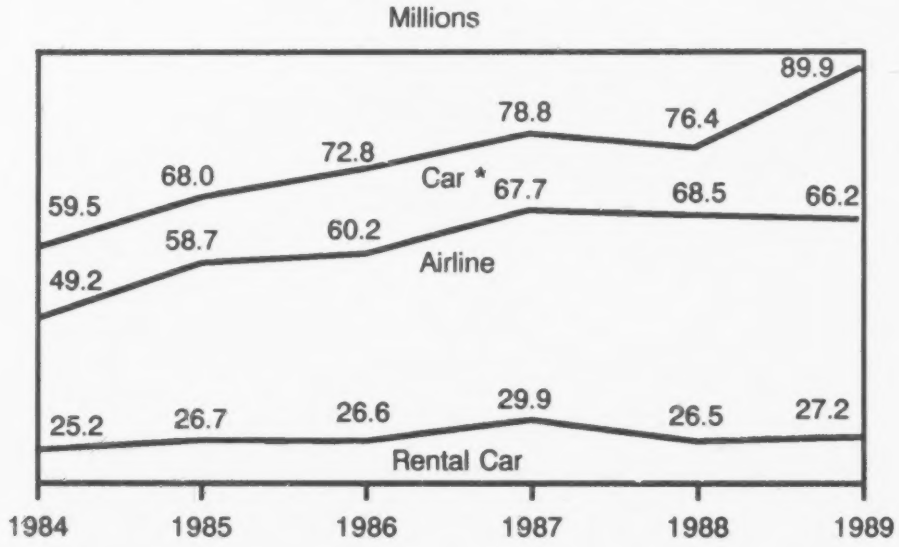
Source: Survey of Business Travelers

Business trips by airlines remained stable from 1987 to 1989 following sizable increases from 1984 to 1987.

The number of business trips involving personal and company cars in 1989 increased more than those involving either airlines or rental cars. They increased 18 percent from 76.4 million in 1988 to 89.9 million in 1989.

After a moderate increase to 29.9 million in 1987, business trips which included the use of rental cars declined to 26.5 million in 1988 and increased slightly to 27.2 million in 1989.

VOLUME OF BUSINESS TRIPS BY TRANSPORTATION USED
1984 - 89



* Car: Auto, truck, RV (Does not include rental car)

Source: National Travel Survey

Use of Own Cars

More than half of business travelers who use their own cars for business trips use them exclusively. Business travelers who use their own cars are very different from those who use airlines and rental cars for their transportation.

Business travelers who use their own cars are more likely to be age 45 or older, less well educated and have household incomes under $30,000. More than one-third are self employed and two-thirds work for smaller companies.

Demographics of Business Travelers
by Type of Transportation Used

	Own Car	Airline	Rental Car
Age 45 or Older	35%	30%	21%
Some College or Less	68	43	48
Household Income Under $30,000	40	20	23
Blue Collar	20	10	13
Self Employed	36	24	23
Fewer Than 100 Employees in Company	66	50	52

Source: Survey of Business Travelers

Business travelers who use their own cars take fewer trips per year, spend fewer nights away and travel fewer miles than airline and rental car travelers. They are also more likely to return to the same destinations, to travel for personal business and to bring other household members along for vacation.

Travel Characteristics of Business
Travelers by Type of Transportation Used

	Own Car	Airline	Rental Car
Take One or Two Trips Per Year	42%	37%	40%
Spend No Nights Away	17	8	3
Spend One to Three Nights Away	55	42	42
Average Miles Traveled	800	1,810	1,820
Have Visited Place Before in Past 12 Months	65	60	57
Travel For Personal Business	13	7	11
Other Household Members in Trip	35	23	19
Also a Vacation Trip	27	21	22
Also visit Friends or Relatives	30	21	27

Source: Survey of Business Travelers

Use of Airlines

The number of airline trips taken by business travelers dropped from 1988 to 1989. According to the U.S. Travel Center's National Travel Survey, business airline trips numbered 68.5 million in 1988 and 66.2 million in 1989 and declined from 44 to 39 percent of all business trips.

1984-89 Airline Business Trips

Millions

	1984	1985	1986	1987	1988	1989
Total Business Trips	114.5	133.3	140.0	157.5	155.6	169.7
Airline Business Trips	49.2	58.7	60.2	67.7	68.5	66.2
Percent of Total	43%	44%	43%	43%	44%	39%

Source: National Travel Survey

Fifteen percent of airline business travelers also used rental cars on an average trip in 1989.

Business travelers who use airlines are better educated and have higher incomes and higher level jobs than all business travelers. They also travel slightly more frequently, spend more nights away and use rental cars and hotels more than other business travelers.

Use of Rental Cars

The number of business trips which involved rental cars increased from 26.5 million in 1988 to 27.2 million in 1989. Sixteen percent of all business trips involved rental cars in 1989, down from a high of 22 percent in 1984.

1984-89 Rental Car Business Trips

Millions

	1984	1985	1986	1987	1988	1989
Total Business Trips	114.5	133.3	140.0	157.5	155.6	169.7
Rental Car Business Trips	25.2	26.7	26.6	29.9	26.5	27.2
Percent of Total	22%	20%	19%	19%	17%	16%

Source: National Travel Survey

Fifty-one percent of business travelers who used rental cars on an average trip in 1989 also used an airline. This was a decline from 64 percent in 1987.

Business travelers who use rental cars are more likely to be upscale and in manufacturing and large companies. Business car renters also travel more frequently and longer distances and spend more nights away. More than half use airlines on an average trip and 80 percent stay in hotels.

Memberships in Frequent Traveler Programs

The proportion of business travelers who belong to frequent traveler programs and airline clubs or lounges has increased steadily. Nearly one out of every four business travelers or 8.3 million belong to an airline frequent flyer program. About half as many business travelers belong to frequent rental car and hotel guest programs.

Business Travelers Who Belong to Frequent Traveler Programs

	1986	1987	1988	1989	1989 Millions
Frequent Flyer Programs	12%	17%	23%	24%	8.3
Airline Clubs or Lounges	3	3	5	6	2.1
Frequent Car Rental Programs	6	7	10	12	4.2
Frequent Hotel Guest Programs	6	7	11	13	4.5

Source: Survey of Business Travelers

USE OF HOTELS BY BUSINESS TRAVELERS

Total U.S. Hotel Volume

Total U.S. hotel revenue in 1989 is estimated at $55.7 billion by Laventhol & Horwath. This represents an increase of $5.3 billion or 11 percent over 1988. The occupancy rate of 62.4 percent in 1989 showed little change from 1988 (62.3 percent).

According to Laventhol & Horwath, transient business travelers, government employees and conference attendees account for more than half of all U.S. hotel guests.

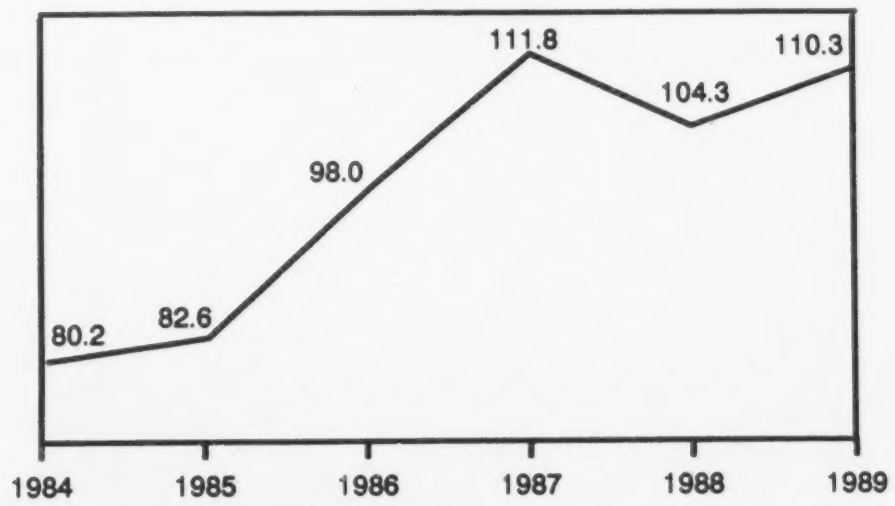
Two-thirds of business travelers or three quarters of those who stayed overnight on an average trip in 1989 stayed in hotels or motels. This was a total of 22.9 million business travelers.

Business trips involving hotel stays increased six percent from 104.3 million in 1988 to 110.3 million in 1989.

VOLUME OF BUSINESS HOTEL TRIPS

1984 - 89

Millions



Source: National Travel Survey

Business Travelers' Hotel Trips

In 1989, 65 percent of all business trips involved the use of hotels, according to the U.S. Travel Data Center's National Travel Survey, a decline from 71 percent of all business trips in 1987.

1984-89 Hotel Business Trips

	Millions					
	1984	1985	1986	1987	1988	1989
Total Business Trips	114.5	133.3	140.0	157.5	155.6	169.7
Hotel Business Trips	80.2	82.6	98.0	111.8	104.3	110.3
Percent of Total	70%	62%	70%	71%	67%	65%

Source: National Travel Survey

Since nearly two-thirds of business travelers use hotels, the demographics of business hotel guests are similar to those of all business travelers. Business hotel guests are somewhat more likely to use airlines and rental cars than the average of all business travelers.

Long-Term Hotel Guests

All business hotel guests spent an average of 3.9 nights on an average business trip during 1989. Eighty-two percent spent two nights more and 19 percent spent five or more nights on trips involving a stay in a hotel.

Long-term business hotel guests have distinct characteristics compared with other business travelers. They travel longer distances and are more likely to travel by airlines and rental cars and to use travel agents for their hotel reservations.

Travel Characteristics of Long-Term Business Hotel Guests

	Long Term Business Hotel Guests	Total Business Hotel Guests
Average Nights Away	7.7	3.9
Average Miles Traveled	1,830	1,240
Use an Airline	58%	40%
Use a Rental Car	21	14
Use a Travel Agent for Hotel Reservations	28	18

Source: Survey of Business Travelers

Selection and Use of Hotels by Business Travelers

Business hotel guests rate three factors most often as being important in selecting hotels: clean, comfortable rooms; convenient location, and previous experience. The recommendations of colleagues or friends are important to 69 percent and the recommendations of travel agents or corporate travel planners are important to 45 percent of business hotel guests.

Factors Rated Important in Selecting Hotels

	Percent
Clean, Comfortable Rooms	98
Convenient Location	97
Previous Experience	90
Hotel Rates	79
Recommendations of Colleagues or Friends	69
Restaurants and/or Food Services	58
Recommendations of Travel Agents or Corporate Travel Planners	45
Meeting Facilities	43
Corporate or Company Policy	39
Frequent Guest Program	26

Source: 1988 Survey of Business Travelers

Types of Hotels Used

Urban or downtown hotels were used by nearly half (49 percent) of business travelers on an average trip. One out of five stayed in suburban hotels and 12 percent used highway hotels or motels.

Hotel Locations

	Percent
Urban, Downtown	49
Suburban	20
Highway	12
Airport	10
Resort	8
Small Town	1

Source: Survey of Business Travelers

One-fourth of business travelers who used hotels stayed in upscale chain hotels and nearly the same proportion (24 percent) stayed in midscale chain properties. Eleven percent stayed in economy or budget chain hotels or motels on their most recent trip.

Types of Hotels/Motels Used

	Percent
Upscale Chain	25
Midscale Chain	24
Economy Chain	11
Not Classified/Not Hotel Chain	40

Source: Survey of Business Travelers

In 1989, more than one-third of business travelers frequently or occasionally stayed at different hotels when they returned to a destination. Some business travelers change because they are not satisfied with the original hotel or it is not available. Most, however, want to try a different hotel, be in a better location or pay a lower rate, according to the 1988 Survey of Business Travelers.

Use of Travel Agents For Hotels

Travel agents in the U.S. account for an estimated 25 percent of all U.S. hotel reservations. Travel agents' hotel revenues in 1989 totaled $9 billion, according to the Travel Weekly 1990 U.S. Travel Agency Survey conducted by Louis Harris and Associates.

Of business travelers who stayed in a hotel on their most recent trips, 19 percent used travel agents to make their hotel reservations.

Business travelers rely on their travel agents to do more than simply make the hotel booking. Twenty-eight percent of business travelers who used a travel agent to book their hotel reservations on their most recent trip report that their travel agents participated in the selection of the hotels.

Two-thirds of business travelers who use travel agents do not have specific hotels in mind, according to the 1988 Survey of Business Travelers. Travel agents provide an important source of hotel information for these clients.

According to the 1988 Survey of Business Travelers, the information they most frequently request from their travel agents includes the location or proximity, rates, room availabilities and descriptions of hotels.

Hotel Information Business
Travelers Request From Travel Agents

	Percent
Location or Proximity	46
Rates	35
Room Availabilities	23
Hotel Description	20
Facilities	13
Types of Rooms	4
Restaurants	2
Business Services	1
Other	24

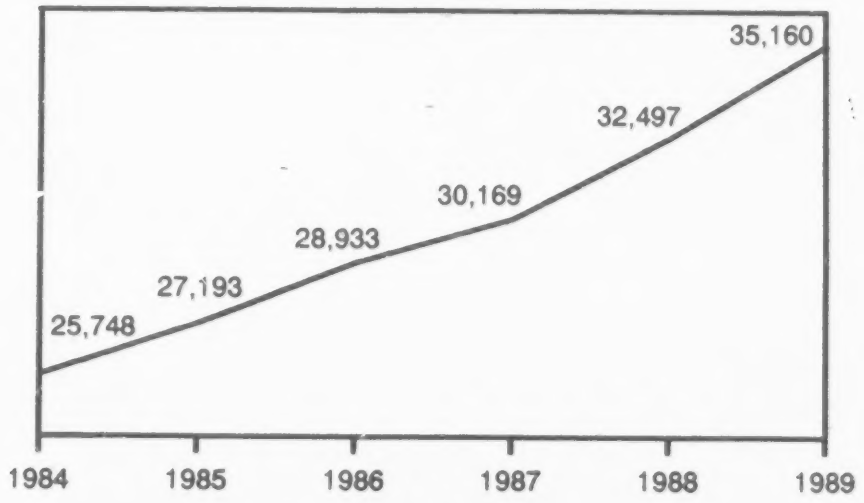
Source: 1988 Survey of Business Travelers

USE OF TRAVEL AGENTS

U.S. Travel Agency Market

Travel agencies in the U.S. have grown steadily to keep pace with the increasing demand for their services. By the end of 1989 there were 35,160 travel agencies, up 37 percent from 1984.

NUMBER OF U.S. TRAVEL AGENCIES
1984 - 89



Sources: 1985-89 -- Airlines Reporting Corporation
1984 -- Air Traffic Conference

The total revenue of U.S. travel agencies in 1989 was $79.4 billion, according to the Travel Weekly 1990 U.S. Travel Agency Survey by Louis Harris and Associates. Just over half of travel agencies' total revenue (52 percent) or $41.3 billion was for business travel.

The largest portion of travel agencies' total revenue in 1989 was for airline travel, followed by cruises and hotels.

U.S. Travel Agencies' 1989 Revenue

	Billion	Percent
Airlines	$45.6	58
Cruises	12.1	15
Hotels	9.0	11
Car Rentals	6.3	8
Rail	3.2	4
Other	3.2	4
Total	$79.4	100

Source: Travel Weekly 1990 U.S. Travel Agency Survey

Travel agencies have become increasingly important to travel suppliers. According to the American Society of Travel Agents (ASTA), U.S. travel agencies account for more than 90 percent of cruise and package tour sales and 81 percent of domestic air flights. They are also responsible for a major portion of sales for car rentals, rail and hotels.

U.S. Travel Agencies' Share of
Travel Industry Revenue

	Percent
Cruises	95
Package Tours	90
Domestic Air Flights	81
Car Rentals	50
Rail	37
Hotels	25

Source: American Society of Travel Agents (ASTA)

Business travelers who use travel agents are more likely to have college educations, higher incomes and professional and managerial occupations than other business travelers. They also travel more frequently, and on longer trips to new destinations.

The number of business trips that involved travel agents increased from 31.1 million in 1988 to 33.9 million in 1989, according to the National Travel Survey. One out of every five business trips in 1988 and 1989 involved the use of travel agents.

1984-89 Business Trips Involving Travel Agencies

Millions

	1984	1985	1986	1987	1988	1989
Total Business Trips	114.5	133.3	140.0	157.5	155.6	169.7
Travel Agencies Involved	32.1	37.3	35.0	36.2	31.1	33.9
Percent of Total	28%	28%	25%	23%	20%	20%

Source: National Travel Survey

Travel Agent Influence

More than four out of 10 travel agents' business clients seek their advice and guidance on the selection of travel services, according to the Travel Weekly 1990 U.S. Travel Agency Survey. Hotel selection is the area where travel agents are most likely to be consulted, with 47 percent of business travelers seeking their advice. Forty-four percent of business travelers ask for help in selecting airlines and car rentals and 40 percent ask for help in planning their itineraries.

Business Clients Who Seek Travel Agents' Advice

	Percent
Hotel Selection	47
Airline Selection	44
Car Rental Selection	44
Planning Itinerary	40

Source: Travel Weekly 1990 U.S. Travel Agency Survey

Methods of Booking Reservations

Fifty-two percent of airline business travelers, 31 percent of business rental car users and 19 percent of business hotel guests used travel agents to make reservations on an average trip in 1989. Nine percent of business travelers who used airlines and hotels used corporate travel managers to make their reservations on their most recent trip.

Methods Used by Business Travelers For Booking Reservations

	Airlines	Rental Cars	Hotels
Booked Directly	29%	37%	43%
Used a Travel Agent	52	31	19
Used a Corporate Travel Manager	9	7	9
Used Other Method	7	7	11
Did Not Make Reservations	3	16	14
Don't Know	-	2	4

Source: Survey of Business Travelers

Twenty-two percent of business travelers used corporate travel managers at least once to make reservations during 1989, a slight decrease from 25 percent in 1988.

Travel Agencies' Meetings Bookings

According to the Travel Weekly 1990 U.S. Travel Agency Survey, 59 percent of travel agencies that have corporate accounts booked business meetings in 1989. They booked an average of 38 meetings during the year and each meeting averaged 38 attendees. Fifty-nine percent of the travel agencies booked conventions and 40 percent booked incentive trips.

Travel Agencies' Meetings Bookings

	Percent Who Booked	Average Number Booked	Average Size of Group
Business Meetings	57	38	38
Convention Trips	59	10	82
Incentive Trips	40	12	44

Source: Travel Weekly 1990 U.S. Travel Agency Survey

BUSINESS TRAVELER SEGMENTS

There are many segments of business travelers that are particularly important to travel marketers because of their size, growth and above average use of travel services.

These segments include demographic groups (such as women business travelers), groups with similar travel characteristics (such as frequent business travelers) and groups that use travel services (such as airline business travelers). Business travelers in any particular segment may also be included in other segments.

The following segments of business travelers will be described in terms of their size and growth, their demographics, travel characteristics and use of travel services.

The business traveler segments are:

* Women Business Travelers
* Business Travelers Age 35-44
* Business Travelers in Service Industries
* Frequent Business Travelers
* Meeting Attendees
* Airline Business Travelers
* Business Car Renters
* Total Business Hotel Guests
* Travel Agency Business Clients

WOMEN BUSINESS TRAVELERS

Number of Women Business Travelers

Women have become an increasingly important and influential portion of the U.S. labor force. Women make up 45 percent of the U.S. work force and that figure is expected to grow to half by the year 2000, according to the Bureau of Labor Statistics.

There were 12.1 million women business travelers in the U.S. in 1989, down from 12.9 million in 1988. Women accounted for nearly one-third of all business trips in 1989.

Women business travelers are traveling more frequently. They took 54.3 million business trips in 1989 compared with 48.2 million in 1988.

Women Business Travelers

	1986	1987	1988	1989
Millions of Women Business Travelers	14.1	13.4	12.9	12.1
Percent of Total Business Travelers	40	38	39	35
Millions of Trips by Women Business Travelers	46.2	47.3	48.2	54.3
Percent of Total Business Trips	33	30	31	32

Source: Survey of Business Travelers

Business travel by women and their share of the business travel market will increase as they move into positions that require more travel.

Demographics of Women Business Travelers

There are significant differences between women and men who travel on business. Women business travelers are less likely to be college graduates and they have lower incomes than men. They are more likely than men to have clerical and sales positions and to be in the service industries.

Demographics of Women and Men Business Travelers

	Women Business Travelers	Men Business Travelers
Age		
18-34	37%	42%
35-44	29	27
45 or Older	34	31
Median Age	40 Years	38 Years
Education		
Some College or Less	63	59
College Graduate or More	37	41
Household Income		
Less Than $40,000	58	50
$40,000-$49,999	15	17
$50,000 or More	27	33
Occupation		
Professional or Managerial	21	24
Lower Level Technical or Managerial	31	30
Clerical or Sales	18	11
Self Employed	27	30
Industry		
Health, Legal, Personal and Educational Services	24	13

Source: Survey of Business Travelers

Travel Characteristics of Women Business Travelers

Women travel less frequently than men, are more likely to be visiting a place for the first time and are more likely to attend meetings, conventions or trade shows. More women also include vacation on their business trips.

Travel Characteristics of Women and Men Business Travelers

	Women Business Travelers	Men Business Travelers
Trips Taken Per Year		
1-2 Trips	58%	47%
3-9 Trips	33	36
10 or More Trips	9	17
Average Number of Trips Per Year	3.9	5.7
Nights Spent on Trip		
No Nights	13	12
1 Night	13	16
2-3 Nights	37	33
4 or More Nights	37	39
Average Nights on Trip	4.0	4.1
Destinations Visited Overnight		
1 Place	74	72
2 or More Places	12	15
Visits in Last 12 Months		
First Visit to Place	44	36
Have Visited Place Before	56	64
Purpose of Trip		
Attend a Meeting, Convention or Trade Show	45	34
Sell a Product or Service	13	13
Personal Business	11	11
Consult or Offer Professional Advice	8	11
Carry Out Operations	11	12
Manage the Company	5	5
Perform a Physical Function	2	6
Also a Vacation Trip	28	22

Source: Survey of Business Travelers

Use of Travel Services by Women Business Travelers

Women business travelers are less likely to belong to frequent traveler programs. There is very little difference between women and men in their use of hotels.

Use of Travel Services by Women and Men Business Travelers

	Women Business Travelers	Men Business Travelers
Airlines		
Use an Airline on Trip	37%	36%
Book Through a Travel Agent	51	52
Belong to a Frequent Flyer Program	22	26
Rental Cars		
Use a Rental Car on Trip	10	12
Book Through a Travel Agent	35	30
Belong to a Frequent Rental Car Program	9	13
Hotels		
Stay in a Hotel on Trip	66	66
Average Nights Spent in Hotel	3.4	3.4
Book Through a Travel Agent	16	20
Belong to a Frequent Hotel Guest Program	10	14
Chain Hotel Type		
Upscale	25	24
Midscale	21	25
Economy	11	11
Hotel Location		
Urban	47	50
Suburban	19	20
Airport	9	11
Highway	12	12
Resort	11	6
Travel Agents		
Used a Travel Agent in Past Year	32	30

Source: Survey of Business Travelers

BUSINESS TRAVELERS AGE 35-44

Number of Business Travelers Age 35-44

Americans between the ages of 35 to 44 will continue to be one of the fastest growing age segments of the U.S. population in the 1990's.

There were 37 million U.S. adults between the ages of 35 to 44 in 1989, up from 26 million in 1980. This age group is projected to increase to 44 million by 2000.

In 1989, there were 9.7 million business travelers between 35 to 44 years of age and they took 52.6 million or 31 percent of all business trips.

Business Travelers Age 35-44

	1986	1987	1988	1989
Millions of Business Travelers Age 35-44	8.8	9.9	9.6	9.7
Percent of Total Business Travelers	25	28	29	28
Millions of Trips by Business Travelers Age 35-44	37.8	47.3	49.8	52.6
Percent of Total Business Trips	27	30	32	31

Source: Survey of Business Travelers

Demographics of Business Travelers Age 35-44

Business travelers between the ages of 35 to 44 are better educated and are more likely to be in better paying professional or managerial occupations than business travelers who are either younger or older.

Demographics of Business Travelers by Age

	Age 18-34	Age 35-44	Age 45 or Older
Sex			
Men	67%	63%	64%
Women	33	37	36
Education			
Some College or Less	60	54	66
College Graduate or More	40	46	34
Household Income			
Less Than $40,000	62	44	49
$40,000-$49,999	16	19	15
$50,000 or More	22	37	36
Occupation			
Professional or Managerial	21	27	22
Lower Level Technical or Managerial	31	33	27
Clerical or Sales	15	14	12
Self Employed	25	32	34

Source: Survey of Business Travelers

Travel Characteristics of Business Travelers Age 35-44

Business travelers in the 35 to 44 year old age group travel more frequently than younger business travelers. They are also more likely to be attending meetings, consulting and managing their companies than either younger or older business travelers.

Travel Characteristics of Business Travelers by Age

	Age 18-34	Age 35-44	Age 45 or Older
Trips Taken Per Year			
1-2 Trips	53%	48%	49%
3-9 Trips	34	36	35
10 or More Trips	13	16	16
Average Number of Trips Per Year	4.6	5.3	5.3
Nights Spent on Trip			
No Nights	12	12	13
1 Night	16	14	16
2-3 Nights	34	38	33
4 or More Nights	38	36	38
Average Nights on Trip	4.0	3.9	4.2
Destinations Visited Overnight			
1 Place	72	75	72
2 or More Places	14	12	14
Visits in Last 12 Months			
First Visit to Place	46	35	31
Have Visited Place Before	54	65	69
Purpose of Trip			
Attend a Meeting, Convention or Trade Show	36	40	38
Sell a Product or Service	14	12	12
Personal Business	10	5	16
Consult or Offer Professional Advice	9	13	10
Carry Out Operations	15	9	10
Manage the Company	2	10	3
Perform a Physical Function	7	4	4
Also a Vacation Trip	26	18	27

Source: Survey of Business Travelers

Use of Travel Services by Business Travelers Age 35-44

Business travelers age 35 to 44 years are more likely to use airlines and hotels than other age groups. They are also more likely to use travel agents to make their rental car and hotel reservations. This age group also prefers upscale and resort hotels.

Use of Travel Services by Business Travelers by Age

	Age 18-34	Age 35-44	Age 45 or Older
Airlines			
Use an Airline on Trip	34%	41%	35%
Book Through a Travel Agent	53	54	52
Belong to a Frequent Flyer Program	23	27	24
Rental Cars			
Use a Rental Car on Trip	13	12	8
Book Through a Travel Agent	32	37	27
Belong to a Frequent Rental Car Program	11	14	11
Hotels			
Stay in a Hotel on Trip	64	71	63
Average Nights Spent in Hotel	3.4	3.3	3.5
Book Through a Travel Agent	17	23	17
Belong to a Frequent Hotel Guest Program	11	16	12
Chain Hotel Type			
Upscale	21	29	26
Midscale	26	23	23
Economy	13	9	8
Hotel Location			
Urban	46	48	52
Suburban	22	18	19
Airport	13	8	10
Highway	14	14	9
Resort	5	10	8
Travel Agents			
Used a Travel Agent in Past Year	30	37	28

Source: Survey of Business Travelers

BUSINESS TRAVELERS IN SERVICE INDUSTRIES

Number of Business Travelers in Service Industries

The U.S. economy has evolved into a primarily service-based economy. Services lead all U.S. industries in growth and account for three-fourths of all jobs.

In 1989 nearly seven million business travelers were in finance, banking, insurance, real estate and business services. They accounted for 32.2 million or 19 percent of all business trips.

Business Travelers in Service Industries

	1986	1987	1988	1989
Millions of Business Travelers in Service Industries	6.4	7.1	7.9	6.9
Percent of Total Business Travelers	18	20	24	20
Millions of Trips by Business Travelers in Service Industries	28.0	34.7	40.5	32.2
Percent of Total Business Trips	20	22	26	19

Source: Survey of Business Travelers

Demographics of Business Travelers in Service Industries

Business travelers in the service industries are better educated, have higher incomes and are more likely to be in professional or managerial occupations and to be self employed than other business travelers.

Demographics of Business Travelers in Service Industries

	Business Travelers in Service Industries	Total Business Travelers
Sex		
Men	66%	65%
Women	34	35
Age		
18-34	44	40
35-44	26	28
45 or Older	30	32
Median Age	37 Years	39 Years
Education		
Some College or Less	48	60
College Graduate or More	52	40
Household Income		
Less Than $40,000	44	53
$40,000-$49,999	11	17
$50,000 or More	45	30
Occupation		
Professional or Managerial	35	23
Lower Level Technical or Managerial	27	30
Clerical or Sales	16	14
Self Employed	43	29

Source: Survey of Business Travelers

Travel Characteristics of Business Travelers in Service Industries

Business travelers in service industries travel more frequently and travel more often on consulting trips.

Travel Characteristics of Business Travelers in Service Industries

	Business Travelers in Service Industries	Total Business Travelers
Trips Taken Per Year		
1-2 Trips	46%	51%
3-9 Trips	35	34
10 or More Trips	19	15
Average Number of Trips Per Year	5.8	4.9
Nights Spent on Trip		
No Nights	12	13
1 Night	18	15
2-3 Nights	35	35
4 or More Nights	35	37
Average Nights on Trip	3.9	4.1
Destinations Visited Overnight		
1 Place	75	73
2 or More Places	11	14
Visits in Last 12 Months		
First Visit to Place	34	38
Have Visited Place Before	66	62
Purpose of Trip		
Attend a Meeting, Convention or Trade Show	33	37
Sell a Product or Service	15	13
Personal Business	11	11
Consult or Offer Professional Advice	17	10
Carry Out Operations	9	12
Manage the Company	7	5
Perform a Physical Function	1	5
Also a Vacation Trip	23	24

Source: Survey of Business Travelers

Use of Travel Services by Business Travelers in Service Industries

Business travelers in the service industries are more likely than to other travelers to use travel services. They are more likely to use airlines than other business travelers and are more likely to belong to frequent traveler programs.

Use of Travel Services by Business Travelers in Service Industries

	Business Travelers in Service Industries	Total Business Travelers
Airlines		
Use an Airline on Trip	42%	36%
Book Through a Travel Agent	61	52
Belong to a Frequent Flyer Program	30	24
Rental Cars		
Use a Rental Car on Trip	13	11
Book Through a Travel Agent	43	31
Belong to a Frequent Rental Car Program	15	12
Hotels		
Stay in a Hotel on Trip	68	66
Average Nights Spent in Hotel	3.4	3.4
Book Through a Travel Agent	21	19
Belong to a Frequent Hotel Guest Program	18	13

Source: Survey of Business Travelers

FREQUENT BUSINESS TRAVELERS

Number of Frequent Business Travelers

The number of business travelers who take 10 or more trips per year and the total trips they take has increased in the past four years from 3.5 to 5.2 million.

Frequent business travelers are an important segment because they accounted for 43 percent of all business trips taken in 1989.

Frequent Business Travelers

	1986	1987	1988	1989
Millions of Frequent Business Travelers	3.5	4.2	5.0	5.2
Percent of Total Business Travelers	10	12	15	15
Millions of Trips by Frequent Business Travelers	56.0	75.6	80.9	73.0
Percent of Total Business Trips	40	48	52	43

Source: Survey of Business Travelers

Demographics of Frequent Business Travelers

The demographic profile of frequent business travelers is very different from that of other business travelers. Nearly four-fifths are men. Frequent business travelers are also older, better educated, better paid and more likely to be professionals and managers than the average business traveler.

Demographics of Frequent Business Travelers

	Frequent Business Travelers	Total Business Travelers
Sex		
Men	78%	65%
Women	22	35
Age		
18-34	35	40
35-44	31	28
45 or Older	34	32
Median Age	40 Years	39 Years
Education		
Some College or Less	48	60
College Graduate or More	52	40
Household Income		
Less Than $40,000	32	53
$40,000-$49,999	17	17
$50,000 or More	51	30
Occupation		
Professional or Managerial	30	23
Lower Level Technical or Managerial	36	30
Clerical or Sales	15	14
Self Employed	34	29

Source: Survey of Business Travelers

Travel Characteristics of Frequent Business Travelers

Frequent business travelers took an average of 19 business trips in 1989 and spent an average of 76 nights or 11 weeks away from home during the year.

Frequent business travelers often return to the same location and travel frequently to sell or consult with clients. They are much less likely to include vacation time than other business travelers.

Travel Characteristics of Frequent Business Travelers

	Frequent Business Travelers	Total Business Travelers
Nights Spent on Trip		
No Nights	12%	13%
1 Night	15	15
2-3 Nights	39	35
4 or More Nights	34	37
Average Nights on Trip	4.0	4.1
Destinations Visited Overnight		
1 Place	72	73
2 or More Places	17	14
Visits in Last 12 Months		
First Visit to Place	22	38
Have Visited Place Before	78	62
Purpose of Trip		
Attend a Meeting, Convention or Trade Show	24	37
Sell a Product or Service	21	13
Personal Business	5	11
Consult or Offer Professional Advice	18	10
Carry Out Operations	13	12
Manage the Company	7	5
Perform a Physical Function	4	5
Also a Vacation Trip	13	24

Source: Survey of Business Travelers

Use of Travel Services by Frequent Business Travelers

Frequent business travelers are considerably more likely to use travel services than other business travelers. Most also belong to frequent traveler programs. Frequent business travelers are more likely to use upscale, midscale and urban hotels.

Use of Travel Services by Frequent Business Travelers

	Frequent Business Travelers	Total Business Travelers
Airlines		
Use an Airline on Trip	40%	36%
Book Through a Travel Agent	50	52
Belong to a Frequent Flyer Program	47	24
Rental Cars		
Use a Rental Car on Trip	13	11
Book Through a Travel Agent	30	31
Belong to a Frequent Rental Car Program	25	12
Hotels		
Stay in a Hotel on Trip	72	66
Average Nights Spent in Hotel	3.4	3.4
Book Through a Travel Agent	20	19
Belong to a Frequent Hotel Guest Program	29	13
Chain Hotel Type		
Upscale	29	25
Midscale	36	24
Economy	9	11
Hotel Location		
Urban	60	49
Suburban	13	20
Airport	8	10
Highway	14	12
Resort	4	8
Travel Agents		
Used a Travel Agent in Past Year	42	31

Source: Survey of Business Travelers

MEETING ATTENDEES

Number of Meeting Attendees

The number of business travelers who traveled to attend meetings on an average business trip declined from 14.2 million 1988 to 12.8 million in 1989.

The number of trips for meetings has fluctuated. They totaled 35.6 million or one-fifth of all business trips in 1989.

Meeting Attendees

	1986*	1987	1988	1989
Millions of Meeting Attendees	14.4	14.5	14.2	12.8
Percent of Total Business Travelers	41	41	43	37
Millions of Trips by Meeting Attendees	60.2	44.1	52.9	35.6
Percent of Total Business Trips	43	28	34	21

*Broader definition of meetings was used in 1986 than in later years.

Source: Survey of Business Travelers

Demographics of Meeting Attendees

Meeting attendees are more likely than average business travelers to be age 35 to 44, college graduates, professionals or managers and in health, legal, personal and educational services.

Demographics of Meeting Attendees

	Meeting Attendees	Total Business Travelers
Sex		
Men	64%	65%
Women	36	35
Age		
18-34	38	40
35-44	32	28
45 or Older	30	32
Median Age	39 Years	39 Years
Education		
Some College or Less	51	60
College Graduate or More	49	40
Household Income		
Less Than $40,000	50	53
$40,000-$49,999	18	17
$50,000 or More	32	30
Occupation		
Professional or Managerial	27	23
Lower Level Technical or Managerial	33	30
Clerical or Sales	17	14
Self Employed	26	29
Industry		
Health, Legal, Personal and Educational Services	22	17

Source: Survey of Business Travelers

Travel Characteristics of Meeting Attendees

Meeting attendees travel less frequently and spend fewer nights away from home than other business travelers. They are also more likely to be visiting a place for the first time.

Travel Characteristics of Meeting Attendees

	Meeting Attendees	Total Business Travelers
Trips Taken Per Year		
1-2 Trips	57%	51%
3-9 Trips	35	34
10 or More Trips	8	15
Average Number of Trips Per Year	3.8	4.9
Nights Spent on Trip		
No Nights	14	13
1 Night	16	15
2-3 Nights	38	35
4 or More Nights	32	37
Average Nights on Trip	3.6	4.1
Destinations Visited Overnight		
1 Place	72	73
2 or More Places	13	14
Visits in Last 12 Months		
First Visit to Place	52	38
Have Visited Place Before	48	62

Source: Survey of Business Travelers

Use of Travel Services by Meeting Attendees

Business travelers who attend meetings are somewhat more likely than average to stay in hotels, particularly upscale and urban hotels.

Use of Travel Services by Meeting Attendees

	Meeting Attendees	Total Business Travelers
Airlines		
Use an Airline on Trip	31%	36
Book Through a Travel Agent	59	52
Belong to a Frequent Flyer Program	18	24
Rental Cars		
Use a Rental Car on Trip	9	11
Book Through a Travel Agent	21	31
Belong to a Frequent Rental Car Program	8	12
Hotels		
Stay in a Hotel on Trip	72	66
Average Nights Spent in Hotel	3.1	3.4
Book Through a Travel Agent	21	19
Belong to a Frequent Hotel Guest Program	8	13
Chain Hotel Type		
Upscale	29	25
Midscale	19	24
Economy	5	11
Hotel Location		
Urban	56	49
Suburban	17	20
Airport	9	10
Highway	11	12
Resort	5	8
Travel Agents		
Used a Travel Agent in Past Year	41	31

Source: Survey of Business Travelers

AIRLINE BUSINESS TRAVELERS

Number of Airline Business Travelers

Some 12.5 million or 36 percent of all U.S. business travelers used an airline on an average trip in 1989.

They took 66.2 million business trips by airline, a decline from 1988 but an increase of six million or 10 percent from 1986.

Airline Business Travelers

	1986	1987	1988	1989
Millions of Airline Business Travelers	13.8	14.1	13.6	12.5
Percent of Total Business Travelers	39	40	41	36
Millions of Trips by Airline Business Travelers	60.2	67.7	68.5	66.2
Percent of Total Business Trips	43	43	44	39

Sources: Travelers - Survey of Business Travelers
Trips - National Travel Survey

Demographics of Airline Business Travelers

Compared with the average, business travelers who use airlines are better educated, have higher incomes, are more highly concentrated in professional, managerial and technical occupations and work for larger companies.

Demographics of Airline Business Travelers

	Airline Business Travelers	Total Business Travelers
Sex		
Men	67%	65%
Women	33	35
Age		
18-34	38	40
35-44	33	28
45 or Older	29	32
Median Age	39 Years	39 Years
Education		
Some College or Less	43	60
College Graduate or More	57	40
Household Income		
Less Than $40,000	32	53
$40,000-$49,999	20	17
$50,000 or More	48	30
Occupation		
Professional or Managerial	29	23
Lower Level Technical or Managerial	36	30
Clerical or Sales	15	14
Self Employed	24	29
Company Size		
Fewer Than 100 Employees	50	59
100-499 Employees	23	20
500 or More Employees	28	21

Source: Survey of Business Travelers

Travel Characteristics of Airline Business Travelers

On average, airline business travelers travel more frequently, spend more nights away from home and travel longer distances.

Travel Characteristics of Airline Business Travelers

	Airline Business Travelers	Total Business Travelers
Trips Taken Per Year		
1-2 Trips	47%	51%
3-9 Trips	36	34
10 or More Trips	16	15
Average Number of Trips Per Year	5.5	4.9
Nights Spent on Trip		
No Nights	8	13
1 Night	10	15
2-3 Nights	32	35
4 or More Nights	50	37
Average Nights Per Trip	4.6	4.1
Average Miles Traveled	1,810	1,240
Destinations Visited Overnight		
1 Place	80	73
2 or More Places	12	14
Visits in Last 12 Months		
First Visit to Place	40	38
Have Visited Place Before	60	62
Purpose of Trip		
Attend a Meeting, Convention or Trade Show	40	37
Sell a Product or Service	13	13
Personal Business	7	11
Consult or Offer Professional Advice	14	10
Carry Out Operations	10	12
Manage the Company	4	5
Perform a Physical Function	4	5
Also a Vacation Trip	21	24

Source: Survey of Business Travelers

Use of Travel Services by Airline Business Travelers

Airline business travelers are more likely than average to also use rental cars and stay in hotels on their trips and to use travel agents for their rental car and hotel reservations. They are more likely to be active members of frequent traveler programs.

Use of Travel Services by Airline Business Travelers

	Airline Business Travelers	Total Business Travelers
Airlines		
Book Through a Travel Agent	52%	52%
Belong to a Frequent Flyer Program	41	24
Rental Cars		
Use a Rental Car on Trip	15	11
Book Through a Travel Agent	42	31
Belong to a Frequent Rental Car Program	19	12
Hotels		
Stay in a Hotel on Trip	72	66
Average Nights Spent in Hotel	4.0	3.4
Book Through a Travel Agent	37	19
Belong to a Frequent Hotel Guest Program	19	13
Chain Hotel Type		
Upscale	31	25
Midscale	16	24
Economy	7	11
Hotel Location		
Urban	57	49
Suburban	18	20
Airport	13	10
Highway	5	12
Resort	5	8
Travel Agents		
Used a Travel Agent in Past Year	61	31

Source: Survey of Business Travelers

BUSINESS CAR RENTERS

Number of Business Car Renters

Business travelers who rented cars on an average trip declined slightly to 3.8 million or 11 percent of all business travelers in 1989.

They took a total of 27.2 million business trips, up from 26.5 million business trips in 1988.

Business Car Renters

	1986	1987	1988	1989
Millions of Business Car Renters	4.6	5.3	4.0	3.8
Percent of Total Business Travelers	13	15	12	11
Millions of Trips by Business Car Renters	26.6	29.9	26.5	27.2
Percent of Total Business Trips	19	19	17	16

Sources: Travelers - Survey of Business Travelers
Trips - National Travel Survey

Demographics of Business Car Renters

Business car renters are more likely to be men and from 18 to 44 years of age than other business travelers. Business car renters are also significantly more upscale and work for manufacturing and larger companies.

Demographics of Business Car Renters

	Business Car Renters	Total Business Travelers
Sex		
Men	71%	65%
Women	29	35
Age		
18-34	48	40
35-44	32	28
45 or Older	20	32
Median Age	36 Years	39 Years
Education		
Some College or Less	48	60
College Graduate or More	52	40
Household Income		
Less Than $40,000	40	53
$40,000-$49,999	17	17
$50,000 or More	43	30
Occupation		
Professional or Managerial	24	23
Lower Level Technical or Managerial	32	30
Clerical or Sales	18	14
Self Employed	23	29
Manufacturing	26	13
Company Size		
Fewer Than 100 Employees	51	59
100-499 Employees	20	20
500 or More Employees	29	21

Source: Survey of Business Travelers

Travel Characteristics of Business Car Renters

Business car renters stay more nights away from home and travel longer distances than all business travelers. They travel to more destinations, particularly in the West, and are more likely to sell products or services.

Travel Characteristics of Business Car Renters

	Business Car Renters	Total Business Travelers
Trips Taken Per Year		
1-2 Trips	51%	51%
3-9 Trips	33	34
10 or More Trips	16	15
Average Number of Trips Per Year	5.9	4.9
Nights Spent on Trip		
No Nights	3	13
1 Night	12	15
2-3 Nights	30	35
4 or More Nights	55	37
Average Nights on Trip	4.9	4.1
Average Miles Traveled	1,820	1,240
Destinations Visited Overnight		
1 Place	77	73
2 or More Places	20	14
Visits in Last 12 Months		
First Visit to Place	43	38
Have Visited Place Before	57	62
Overnight destination in West	28	22
Purpose of Trip		
Attend a Meeting, Convention or Trade Show	30	37
Sell a Product or Service	20	13
Personal Business	11	11
Consult or Offer Professional Advice	10	10
Carry Out Operations	11	12
Manage the Company	5	5
Perform a Physical Function	7	5
Also a Vacation Trip	22	24

Source: Survey of Business Travelers

Use of Travel Services by Business Car Renters

Business car renters are more likely to use airlines and stay in hotels and to use travel agents to book these travel services. Like those who use airlines, many business travelers who use rental cars are members of frequent traveler programs.

Use of Travel Services by Business Car Renters

	Business Car Renters	Total Business Travelers
Airlines		
Use an Airline on Trip	51%	36%
Book Through a Travel Agent	55	52
Belong to a Frequent Flyer Program	39	24
Rental Cars		
Book Through a Travel Agent	31	31
Belong to a Frequent Rental Car Program	24	12
Hotels		
Stay in a Hotel on Trip	80	66
Average Nights Spent in Hotel	4.1	3.4
Book Through a Travel Agent	37	19
Belong to a Frequent Hotel Guest Program	20	13

Source: Survey of Business Travelers

TOTAL BUSINESS HOTEL GUESTS

Number of Business Hotel Guests

Two-thirds of all U.S. business travelers stayed in a hotel on an average business trip in 1989. Business hotel guests totaled 22.9 million, far more than used airlines or rental cars on an average trip.

Business hotel guests took 110.3 million business trips in 1989 an increase of 13 percent over 1986. Business hotel guests were responsible for nearly two-thirds of all business trips in 1989.

Business Hotel Guests

	1986	1987	1988	1989
Millions of Business Hotel Guests	24.0	25.8	24.2	22.9
Percent of Total Business Travelers	68	73	73	66
Millions of Trips by Business Hotel Guests	98.0	111.8	104.3	110.3
Percent of Total Business Trips	70	71	67	65

Sources: Travelers - Survey of Business Travelers
Trips - National Travel Survey

Demographics of Business Hotel Guests

The demographics of business hotel guests closely match the average of all business travelers because such a large proportion of business travelers use hotels on their trips. Business hotel guests have somewhat better educations and higher household incomes than average.

Demographics of Business Hotel Guests

	Business Hotel Guests	Total Business Travelers
Sex		
Men	66%	65%
Women	34	35
Age		
18-34	39	40
35-44	31	28
45 or Older	30	32
Median Age	39 Years	39 Years
Education		
Some College or Less	53	60
College Graduate or More	47	40
Household Income		
Less Than $40,000	43	53
$40,000-$49,999	17	17
$50,000 or More	40	30
Occupation		
Professional or Managerial	26	23
Lower Level Technical or Managerial	32	30
Clerical or Sales	17	14
Self Employed	28	29

Source: Survey of Business Travelers

Travel Characteristics of Business Hotel Guests

Business hotel guests travel more frequently, and are more likely to visit a single overnight destination on a trip.

Travel Characteristics of Business Hotel Guests

	Business Hotel Guests	Total Business Travelers
Trips Taken Per Year		
1-2 Trips	48%	51%
3-9 Trips	36	34
10 or More Trips	16	15
Average Number of Trips Per Year	5.4	4.9
Nights Spent on Trip		
No Nights	--	13
1 Night	18	15
2-3 Nights	41	35
4 or More Nights	41	37
Average Nights on Trip	3.9	4.1
Destinations Visited Overnight		
1 Place	84	73
2 or More Places	15	14
Visits in Last 12 Months		
First Visit to Place	41	38
Have Visited Place Before	59	62
Purpose of Trip		
Attend a Meeting, Convention or Trade Show	40	37
Sell a Product or Service	12	13
Personal Business	9	11
Consult or Offer Professional Advice	11	10
Carry Out Operations	10	12
Manage the Company	5	5
Perform a Physical Function	5	5
Also a Vacation Trip	20	24

Source: Survey of Business Travelers

Use of Travel Services by Business Hotel Guests

Business travelers who stay in hotels use airlines and rental cars more than average. Only 15 percent belong to frequent hotel guest programs.

Use of Travel Services by Business Hotel Guests

	Business Hotel Guests	Total Business Travelers
Airlines		
Use an Airline on Trip	40%	36%
Book Through a Travel Agent	55	52
Belong to a Frequent Flyer Program	27	24
Rental Cars		
Use a Rental Car on Trip	14	11
Book Through a Travel Agent	36	31
Belong to a Frequent Rental Car Program	13	12
Hotels		
Average Nights Spent in Hotel	3.4	3.4
Book Through a Travel Agent	18	19
Belong to a Frequent Hotel Guest Program	15	13
Chain Hotel Type		
Upscale	25	25
Midscale	25	24
Economy	10	11
Hotel Location		
Urban	49	49
Suburban	19	20
Airport	10	10
Highway	13	12
Resort	8	8
Travel Agents		
Used a Travel Agent in Past Year	42	31

Source: Survey of Business Travelers

TRAVEL AGENCY BUSINESS CLIENTS

Number of Travel Agency Business Clients

More than five and a half million or 16 percent of business travelers used a travel agent for an average business trip in 1989.

Business travelers used travel agents for 33.9 million or one out of every five business trips that were taken during the year.

Travel Agency Business Clients

	1986	1987	1988	1989
Millions of Travel Agency Business Clients	5.6	5.6	5.3	5.6
Percent of Total Business Travelers	16	16	16	16
Millions of Trips by Travel Agency Business Clients	35.0	36.2	31.1	33.9
Percent of Total Business Trips	25	23	20	20

Sources: Travelers - Survey of Business Travelers
Trips - National Travel Survey

Demographics of Travel Agency Business Clients

Travel agency business clients are more upscale than other business travelers and are more heavily concentrated in managerial and professional occupations.

Demographics of Travel Agency Business Clients

	Travel Agency Business Clients	Total Business Travelers
Sex		
Men	69%	65%
Women	31	35
Age		
18-34	37	40
35-44	36	28
45 or Older	27	32
Median Age	39 Years	39 Years
Education		
Some College or Less	39	60
College Graduate or More	61	40
Household Income		
Less Than $40,000	35	53
$40,000-$49,999	18	17
$50,000 or More	47	30
Occupation		
Professional or Managerial	35	23
Lower Level Technical or Managerial	31	30
Clerical or Sales	15	14
Self Employed	23	29

Source: Survey of Business Travelers

Travel Characteristics of Travel Agency Business Clients

Business travelers who use travel agents spend more nights away from home on their trips and travel longer distances. They are also more likely to be visiting destinations for the first time in the last 12 months.

Travel Characteristics of Travel Agency Business Clients

	Travel Agency Business Clients	Total Business Travelers
Trips Taken Per Year		
1-2 Trips	47%	51%
3-9 Trips	38	34
10 or More Trips	15	15
Average Number of Trips Per Year	5.1	4.9
Nights Spent on Trip		
No Nights	6	13
1 Night	10	15
2-3 Nights	32	35
4 or More Nights	52	37
Average Nights on Trip	4.9	4.1
Average Miles Traveled	1,790	1,240
Destinations Visited Overnight		
1 Place	81	73
2 or More Places	12	14
Visits in Last 12 Months		
First Visit to Place	44	38
Have Visited Place Before	56	62
Purpose of Trip		
Attend a Meeting, Convention or Trade Show	38	37
Sell a Product or Service	17	13
Personal Business	7	11
Consult or Offer Professional Advice	17	10
Carry Out Operations	9	12
Manage the Company	3	5
Perform a Physical Function	4	5
Also a Vacation Trip	20	24

Source: Survey of Business Travelers

Use of Travel Services by Travel Agency Business Clients

Nearly nine out of 10 travel agency business clients used airlines and 78 percent used hotels on their most recent trips in 1989. Fewer, one out of five, used rental cars.

Use of Travel Services by Travel Agency Business Clients

	Travel Agency Business Clients	Total Business Travelers
Airlines		
Use an Airline on Trip	89%	36%
Book Through a Travel Agent	99	52
Belong to a Frequent Flyer Program	44	24
Rental Cars		
Use a Rental Car on Trip	22	11
Book Through a Travel Agent	77	31
Belong to a Frequent Rental Car Program	20	12
Hotels		
Stay in a Hotel on Trip	78	66
Average Nights Spent in Hotel	4.2	3.4
Book Through a Travel Agent	78	19
Belong to a Frequent Hotel Guest Program	22	13

Source: Survey of Business Travelers

APPENDIX

METHODOLOGY

The 1989 Survey of Business Travelers was based on data collected each month from February 1989 to January 1990 by telephone with a national probability sample of 1,500 adults representing the total adult, civilian, non-institutional population of the contiguous United States.

This survey was conducted in conjunction with the U.S. Travel Data Center's National Travel Survey. It was conducted for the U.S. Travel Data Center by RL Associates of Princeton, New Jersey, using its national telephone probability sample.

The sample design was a two-stage, statified, internally replicated national probability sample. The first stage of stratification was the nine Census regions in the contiguous United States, omitting Hawaii and Alaska, as defined by the U.S. Bureau of the Census. The second stage was Areas of Dominant Influence (ADIs) as defined by Arbitron within each of the Census regions.

A new sample was drawn each month. However, because the primary and secondary sample units were the same each month, the successive samples were "matched," thus improving the trendability of the data.

Respondents were asked if they had traveled 100 miles or more one way for business or convention purposes in the past 12 months. Those identified as business travelers were asked to report the number of business trips taken in the past 12 months and were asked a number of questions concerning their most recent business trip taken in the past three months. Demographic information was collected from all identified business travelers.

This methodology produced data on approximately 319 business travelers per month or 3,832 over the 12 months from February 1989 to January 1990. The responses of these business travelers form the basis of this report.

CENSUS REGIONS

New England	Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont
Mid-Atlantic	New Jersey, New York, Pennsylvania
South Atlantic	Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, West Virginia
East South Central	Alabama, Kentucky, Mississippi, Tennessee
West South Central	Arkansas, Louisiana, Oklahoma, Texas
East North Central	Indiana, Illinois, Michigan, Ohio, Wisconsin
West North Central	Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota
Mountain	Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, Wyoming
Pacific	California, Oregon, Washington, (Alaska and Hawaii as destinations)

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